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CONTACT REPORT

Meeting with Uncle Louie of Prolog, 21 April 1967

1. I met Uncle Louie in a hotel room at the Hotel Commodore on the morning of 21 April. I was registered and am known to Uncle Louie at the hotel as only as Jamey or E I. Our meeting lasted approximately five hours during which we discussed the impact of the Katzenbach Committee's decisions on the future of the Prolog operation and the political problems of the Ukrainian immigration in the United States, among other things. Uncle Louie appeared to accept the inevitably severe problems that xxx raised for the future with patience, determination and also resignation. I believe that, no matter what happens, there will be no personal handling problems with either him or the other leading members of the group.

2. Future possibilities for the organization. I informed Uncle Louie of the Katzenbach decisions as they apply to Prolog along the following lines: All publications originating in the United States or attributed to organizations in the United States will have to cease. There is no reason why publications cannot come from some other country, however.

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As far as operations are concerned, it would also be necessary that Prolog as an organizational entity not be located in the United States. There might be some way of having the organization apparently exist in some other country and hire people in the United States to do its work. Failing to get approval for some such solution as that, we will have to consider moving the entire organization to some other country. I went on to explain that the purpose of my conversation was to try to learn what Uncle Louie thought was feasible in terms of changing the structure of the organization without destroying it, and to learn what changes might be so radical as to make termination preferable. In the course of our discussion the following variations emerged:

a. Most feasible - Prolog as an organizational entity would be located in some third country. This could as a matter of convenience most easily be done from Munich, Germany but that would have grave repercussions on Prolog's reputation for a number of reasons. The question of willingness of the German government to continue tolerating organizations that the American government will no longer allow on its own soil was raised by Uncle Louie and is, I think, a factor that must be considered in any future decisions. Uncle Louie would much prefer to have the organization headquarters located in Rome or London to any place in Germany. At one

time there was a discussion among MI-6, CIA and Prolog about the British playing a role in the organization and perhaps some part of it move to London. Louie mentioned this as a possible solution to our current problems. As far as Rome goes, it would be an acceptable place for a front man but there are practically no opportunities for operations in Italy and we should never expect that a Rome headquarters could be anything more than a front. In any event, Louie feels that since the base of operations is located in the United States and Canada where the major Ukrainian emigre population resides, that to do anything more than set up a nominal headquarters abroad would so seriously undermine the operations that termination might be a more preferable alternative. With the exception of the Current Digest of the Soviet Ukrainian Press, a scholarly publication which is put out from New York, there will be no problem in rearranging the book and political publications programs to conform with the Katzenbach decisions. The exclusively scholarly nautre of the Current Digest is such that it might well receive special consideration. I informed Louie I could give him no commitment concerning the future at this time but that I would proceed now to write up a paper for approval at the policy level of the government recommending that we divorce the publications from any U.S. based activity, that Prolog

as a corporate entity be established somewhere in Europe, but that the key personnel remain in the United States and continue to run the contact operations that they do today as employees of this foreign corporation. I emphasized that I could give him no guarantees that solution to the problem would be accepted, but assured him that I would try to achieve that result. I also made clear to him that my understanding of his attitude toward any greater change in the current structure of Prolog was that it would not be feasible and that it would be better for all concerned to terminate the operation in some fashion. He confirmed that this was his opinion.

3. Dobryansky, et al. I informed Uncle Louie of Dobryansky's letter to Senator Young and his other allegations concerning CIA support of Prolog and of Uncle's alleged pro-Soviet actions. Uncle described his relations with Dobryansky over the years as being largely amicable up until 1965. He said that they had never been in agreement on many issues and that there had been a certain amount of back-biting here and there as a result of Uncle's continuing problems with the Bandera groups, but that until 1965 Dobryansky, as the president of the Ukrainian Congress Committee, though more favorable to the Bandera people than to Louie, had not been unfriendly to Prolog. In 1965, beginning with the issue of

the earth from the Ukraine at the Shevchenko Memorial in Washington, Dobryansky's attitude toward Louie and Prolog became increasingly violent and hostile. Since that time Dobryansky has more and more identified with the far-right in American politics and with the most rigidly "nationalist" Ukrainian organizations. His contacts with Stechko, the leader of the Bandera group, and Oberhaender, the former German refugee minister, have increased greatly. Louie believes that Dobryansky has become more and more under the influence of the Bandera people although he is unable to identify exactly how this influence is exerted. The Bandera leader in the United States, Futala, is one source of this influence probably, and others may be Dushnik and some members of the staff of the Internal Security Sub-Committee of the Senate and some far-right American political personalities. In commenting on the Bandera group as such, Louie said that they now have a house in Ottawa in which Stechko lives but that their headquarters remain in Munich. They continue to be in contact with the BND. He thinks that they also have some contacts in the Department of Defense and from time to time have stated that they are expecting to get large support from the American government. They are also deeply involved in the World Anti-Communist Organization that had a major meeting in Seoul, Korea last summer. The most interesting part of Louie's exposition concerned the Bandera

security man in Paris. Louie had informed us earlier that Kashuba, the man in charge of security for the Bandera organization, was missing for a time last winter. It turns out that he was investigating the case of his French contact man, Teodor Bidnik. Bidnik was arrested by the French police on 7 February as being a Soviet agent and he confessed that in fact he had been since 1956. The French police believe that he was being directed by a senior Soviet agent who is an even higher level penetration of the Bandera group and Louie has interesting evidence indicating that this agent is in fact Kashuba. Louie received a long report on Bidnik confession made available through French contacts to Slavka, Louie's man in Munich, who sent it on to Louie. I asked him to please send us a copy of the document. Louie pointed out that after Bidnik's recruitment as a Soviet agent, a close contact of Bidnik's who also seems to be strongly suspect as a Soviet agent, then came to the United States for three years in the '50s and then returned to Europe. This man received KGB money from Bidnik, although conceivably he may not have known the money's source. It is possible, Louie hypothesizes, that the activities of this man in the United States were related to the ultimate exertion of influence over Dobryansky in his fight with Uncle Louie. Among the other operations in which Bidnik was involved for the KGB was in attending the Vienna Youth Festival with the

Bandera group. Bidnik's job was to pass out anti-Soviet leaflets to Soviet delegates at the Festival and then if they reacted favorably to messages on the leaflets, to find out who they were and inform the KGB. Louie also observed that Dobryansky receives a substantial part of his income from the Bandera group.

4. The Djuba Book and Other Publications. Louie asked what we might be able to do in helping to place the Djuba book (a long document written by one of the leading Ukrainian poets and originally addressed to the Central Committee of the Ukrainian Communist Party, it is a strong denunciation of the Russifying policy of the Soviet government). Louie explained that Djuba was concerned in a left-leaning publication, not one regularly identified with exposures of happenings in the Soviet Union. For that reason Louie opposed using Kultura as a channel. We discussed several possibilities and I told him that I would try to interest Professor Brzezinski, but I thought it would be better to try to place it in Europe through Dr. Svoboda in England or possibly some other equivalent contact. Louie said that Karl was going to take a trip to Europe in the near future and that he might take the book along and try to place I endorsed this proposal, particularly emphasizing the access that Dr. Svoboda has had to the New Statesman and

other liberal circles in England as the best prospect I could suggest. I also told Uncle Louie that Problems of Communism was still considering the Prokup and that I would inform him shortly after I had had a chance to talk to the editor of Problems of Communism.

5. Louie also told me of the recent case in which Radio Liberty had hired away one of his employees. On checking on the matter with _______ ince my return, I found out that the man has already been hired and there may be little we can do at present about him. We should make a formal protest to the CA Staff, however, in the hope that we might prevent such things in the future. I have asked Anna to draft a memorandum for that purpose.

SB/CAO